

## Message

**From:** Emma, Douglas [/O=CAH/OU=CARDINAL HEALTH/CN=RECIPIENTS/CN=DOUGLAS.EMMA]  
**Sent:** 6/12/2012 10:13:10 PM  
**To:** linden.barber@quarles.com; Quintero, Gilberto [/O=CAH/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=Gilberto.quintero]  
**CC:** Forst, Christopher [/O=CAH/OU=Cardinal Health/cn=Recipients/cn=Christopher.Forst]; Mone, Michael [/O=CAH/OU=Cardinal Health/cn=Recipients/cn=Michael.Mone]; Emma, Douglas [/O=CAH/OU=Cardinal Health/cn=Recipients/cn=Douglas.Emma]  
**Subject:** Follow-up to Training conducted 6-5-2012  
**Attachments:** Medicine Shoppe BT3743300.pdf; FW Medicine Shoppe Pascagoula.txt; RE BT3743300-Medicine Shoppe Pascagoula MS.htm; Midwest Benefit Pharmacy AM7670981.pdf; Midwest Benefit doc-licensing.pdf; Midwest Benefit doc 2.pdf; Midwest Benefit ROI.pdf; T and J Enterprises BT5541760.pdf

Linden/Gilberto

This is follow-up to a discussion we had on our conference call regarding suspected "hot spots", black hole cases and cases that probably need to be revisited by LV-TAC. I've taken the time to illustrate a few examples. Please contact me if you need further clarification or more examples.

**Possible Hot spot identified:**

A number of CAH accounts around the Fresno, CA area maybe dispensing a disproportionate amount of Promethazine w Codeine when compared to other pharmacies in that geographic area. Site visit requests have been submitted through ADC of all suspect pharmacies for this DOI plus other drug families that are known to be diverted.

**Revisit by LV-TAC:**

Medicine Shoppe- BT3743300

On 12-28-2011 TH limits were moved to 1 for drug family 9050 and site visit request submitted through ADC. Without the knowledge of the QRA Pharmacist a Medium Risk visit was conducted on 12-15-2011 as part of the newly created committee established in November. The investigator that performed that site visit made an assessment that the account be re-evaluated immediately. (see PDF attachment)

Email forwarded on April 20<sup>th</sup> with new information regarding this pharmacist's ownership interest in a pharmacy that CAH terminated. TH limit remains at 1 and no indication that a new site visit has been conducted.

Midwest Benefit Pharmacy AM7670981

A concern expressed at the time Harvey conducted a site visit was the pharmacy was not licensed in all states they ship to. (Refer to attachments) According to the new SOP LV-TAC Periodic Review Process  
 Factors to Consider 6.2.2.1 (c) Is the pharmacy licensed in all states into which it mails or dispenses prescription drugs?

**Black Hole:**

Van Pharmacy- BV2122353- Van WV

QRA first discovered in Jan 2012 that the pharmacy was filling out of state prescriptions from a pain clinic in Georgia. A request for a site visit was submitted at that time. Utilizing KYC tools I contacted the pharmacist to discuss what steps they had in place to identify and prevent diversion. The pharmacist informed me that that he had been in contact with the DEA and Georgia Board of Pharmacy (docs in CM). The pharmacist indicated that the Georgia physician was moving West and he would no longer be filling prescriptions from that pain clinic. Static TH limits were applied however new recent information reveals the pharmacy continues to fill out of state prescriptions. The customer is now blocked from purchasing Oxycodone. The owner of the pharmacy resides and owns other stores in California which purchase from CAH. (Medicine Shoppe in Petaluma, CA, BP8561335 and Bacon East Pharmacy in Concord, CA, FB2648446) The owner's name is Jamil Harb a registered pharmacist.

T & J Enterprise dba Medicine Shoppe in Huntington WV – BT5541760

This pharmacy has experienced significant growth from the stimulant drug families and new pain clinic business. QRA vetted the new pediatrician prescribing stimulants and nothing significant appeared from a DEA and license search. A competitor in town was raided by the DEA which resulted in the arrest of the non pharmacist owner. The Medicine Shoppe has seen a significant growth in both areas and to my knowledge a site visit has not been conducted after submitting 6 requests to validate growth and the information being provided to QRA.

There are certain tools we no longer have access to or is no longer available to the QRA pharmacist. There are times the new process seems cumbersome, incomplete and sometimes difficult to base a decision due to a lack of relevant and/or timely information.

**Doug**

**Doug Emma, RPh**  
Manager Supply Chain Integrity  
Quality & Regulatory Affairs  
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Kansas City, MO 64120  
direct: 816-242-6122 fax: 614-652-4253

Cardinal Health  
7000 Cardinal Place  
Dublin OH 43017



**CardinalHealth**

# Report of Investigation

Date 12/15/2011  
To File  
From Robin Barde  
Subject The Medicine Shoppe  
Pascagoula Mississippi  
DEA # BT3743300

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This pharmacy was visited on 12/15/2011 by Robin Barde, CAH. Met with Scott Holston, PIC/Owner

## Findings

- PIC self reported that his Controlled Substance scripts are 30% of sales.
- Prescriptions filled per day are approx 250+
- Cash sale for all Controlled Substances are approx. 30% and of this approx. 5 to 10% are uninsured.
- Co owns RX Express Pharmacy of Bayou LaBatre, DEA #BR9610470 which is on the CAH high volume list. In addition, he is also co owner of 2 other RX Express stores located in Florida and Mississippi.
- Cardinal Health is primary wholesaler.
- Dispensing summary obtained for months 7/1/2011 thru 12/15/2011.
- Major prescribers are, weight loss, orthopedics, 2 family practice clinics, pain specialist, and he also fills prescriptions that come from the local hospital located 2 miles from his store.
- Area is a mixture of businesses and residential, which appears to be middle to lower income.
- Located in a small but very busy strip mall on the corner of major downtown intersection.
- Well stocked OTC area to include medical equipment.

## Investigator's Assessment

- ☐ Re-evaluate after 12 or more months
- ☐ Re-evaluate after 3 months
- ☒ Re-evaluate immediately

At this time The Medicine Shoppe assessment is high risk based on the guidelines and criteria used.

Mitigating factors recommended for consideration and re evaluation.

Upon my arrival, the store was a flurry of activity, phones ringing, customers waiting and employees very busy. Scott explained to me that the computer system crashed right after opening and had only been up and running approximately an hour prior to my arrival.

He stated that his rep had contacted him about my visit to pick up a utilization report, which he ran when system came up, but was unaware of the assessment that was to be performed. We had many interruptions with patient consults, checking prescriptions ect.. as he was the only Rph on this day and they were very backed up. There were several questions that he either could not answer, or answered with estimations and approximates. He was very distracted due to interruptions and the day's events.

**From:** Emma, Douglas  
**Sent:** Friday, April 20, 2012 1:55 PM  
**To:** Forst, Christopher  
**Cc:** Morse, Steve; Mone, Michael  
**Subject:** FW: Medicine Shoppe Pascagoula

Chris,

I believe this information may be relevant to reach a decision regarding this customer. Currently the TH limit for DF 9050 is set at 1. The medium risk assessment site visit recommended the account be revisited.

DIV: 10  
DEA# BT3743300

I believe it is being reviewed by: LV-TAC

Doug Emma, RPh  
Manager Supply Chain Integrity  
Quality & Regulatory Affairs  
Cardinal Health | 7601 NE Gardner Ave  
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-----Original Message-----

From: Woodruff, Victor  
Sent: Friday, April 20, 2012 1:41 PM  
To: Emma, Douglas  
Subject: Medicine Shoppe Pascagoula

Doug,

Per our conversation I am sending you the following information. The Partnership between Holmac (Scott Holston and Steve Mcmillon) and the RX Express in Bayou La Batre has been dissolved. They made this decision based on our decision to no longer ship controls to the Bayou La Batre location. RX Express Bayou is now primary with ABC. Scott and Steve are willing to provide any information needed from their locations and are taking active roles in the community to fight prescription drug abuse. I have spent significant time explaining the dangers of providing specific brands that have a higher abuse level to these customers. I feel they are on board with following the pharmacist responsibility document that I provided to them. If you need any additional information please let me know.

Thank You,  
Vic Woodruff

Pharmacy Business Consultant  
Central Group  
Retail/Alternate Care Pharmacy  
Pharmaceutical Segment

Cellular Phone - (251)421-1420  
victor.woodruff@cardinalhealth.com

**From:** Emma, Douglas  
**Sent:** Tuesday, April 10, 2012 12:49 PM  
**To:** Morse, Steve; Pemenkil, Lakshman (US - San Francisco)  
**Cc:** Forst, Christopher  
**Subject:** RE: BT3743300-Medicine Shoppe, Pascagoula, MS  
*Privileged and Confidential*  
*Email and Work Product Prepared for Counsel*

FYI- A decision was made on 02-07-2012 to terminate his store in Bayou La Batre, LA,

**From:** Morse, Steve  
**Sent:** Tuesday, February 07, 2012 6:05 PM  
**To:** 'Leonard.b.levin@usdoj.gov'  
**Subject:** Termination of Controlled and Monitored Substances Sales  
Page 1 of 2  
2/8/2012  
This email sent at the request of Michael A. Moné VP, Anti-Diversion.  
The following accounts serviced by the Distribution Centers indicated have had the sale of Controlled and Monitored Substances terminated on the date indicated:  
Jackson Distribution Center, Madison, MS

RX EXPRESS PHARMACY OF  
BAYOU, LA BATRE,  
13286 NORTH WINTZELL  
AVENUE  
BAYOU LA BATRE, AL  
36509  
BR9610470 2/7/12 094-840161 010  
678986 010-683950  
010-684368

**Doug Emma, RPh**  
Manager Supply Chain Integrity  
Quality & Regulatory Affairs  
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**From:** Morse, Steve  
**Sent:** Tuesday, April 10, 2012 12:41 PM  
**To:** Pernenkil, Lakshman (US - San Francisco)  
**Cc:** Forst, Christopher; Emma, Douglas  
**Subject:** FW: BT3743300-Medicine Shoppe, Pascagoula, MS

Lux,

Please see the attachment. This was one of the first medium volume visits done in December. There is nothing in content manager regarding the decision by the soon to be named LV TAC. Is there an outcome?

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**From:** Forst, Christopher  
**Sent:** Tuesday, April 10, 2012 11:31 AM  
**To:** Morse, Steve  
**Cc:** Emma, Douglas  
**Subject:** BT3743300-Medicine Shoppe, Pascagoula, MS

Has there been a decision made about this Medicine Shoppe in Pascagoula, Mississippi? Their Codeine threshold is set to 1.

Chris

**Florian, Harvey**

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**From:** Florian, Harvey  
**Sent:** Friday, November 25, 2011 11:03 AM  
**To:** Morse, Steve  
**Subject:** Possible Concerns - Midwest Benefit Pharmacy, Countryside, IL (AM7670981)  
**Importance:** High  
**Attachments:** AM7670981-111-D-112211.pdf; AM7670981-090-D-112211.pdf; AM7670981-110-D-112211.pdf

Steve:

Pursuant to our earlier telephone conversation, attached are copies of my Case Notes, Report of Investigation and TH Analysis. I have rated this pharmacy a **LOW** risk at this time, but there is a possible licensure issue and a concern that I have about one prescriber prescribing a possible excessive amount of liquid hydrocodone/apap.

This is a very large closed door pharmacy; they fill an average of 1,400 to 1,500 Rxs daily. They have two ScriptPros and 11 R.Phs on staff.

This pharmacy only services current and retired union members of Local 150, Midwest Operating Engineers, and their dependents. The pharmacy is currently only licensed in the State of Illinois; however they are routinely shipping significant quantities of Rx medications to some 41 other states. Current membership serviced by the pharmacy is about 50,000; the bulk of the active membership is located in IL; IA; IN and WI; with retirees located throughout the US. According to the Pharmacy Manager, Kenneth Bodenhausen, Pharm.D, the pharmacy is currently seeking out of state licenses in all the other 41 states it regularly ships into. A report of the number of Rxs shipped during the past 12 months into these 42 states was provided, and IL ranked first with 66% of the total; IN ranks second with 20%; WI and FL tied for third with each having 2.4%; thousands of Rxs were also shipped in to AR, AZ, IA, KY, MI, MO, MS, TN and TX (see report filed in the Repository).

The Pharmacy Manager provided a list of the top prescribers of CS listed individually by their quantity; days supply, and Rx counts; it was noted that one prescriber, Dr. Gary W. Golden (BG5833240) had prescribed a large total quantity (8,190 units) of CS, via a total of only 4 Rxs; a follow-up contact with the Pharmacy Manager determined that Dr. Golden prescribed 8,100 mL of hydrocodone/apap, 7.5mg/15mL strength, for one patient on one Rx; the directions stated 15mL every 4 hours as needed; the Pharmacy Manager did not know the diagnosis; when I questioned him further about the apparent large quantity size of the Rx he stated that the equivalent dosage in tablet form would have been 540 tablets of generic Lortab 7.5/500, six a day for 90 days. I am not sure of the accuracy of this statement and wanted to pass this on to you for a pharmacist's analysis.

Harvey

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**Harvey Florian, CFCI**

Manager, Supply Chain Integrity & Regulatory Operations  
Cardinal Health | 2353 Prospect Drive | Aurora, IL 60502  
direct: 630.236.2892 | cell: 630.870.2225 | fax: 614.652.0583  
email: [harvey.florian@cardinalhealth.com](mailto:harvey.florian@cardinalhealth.com)

11/30/2011

CONFIDENTIAL

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P-28038\_00007

**Florian, Harvey**

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**From:** Florian, Harvey  
**Sent:** Tuesday, November 29, 2011 6:09 AM  
**To:** Morse, Steve  
**Subject:** FW: Midwest Benefits  
FYI – Follow up on licensure issue with Midwest Benefit.

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**Harvey Florian, CFCI**  
Manager, Supply Chain Integrity & Regulatory Operations  
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**From:** Huey, Douglas  
**Sent:** Monday, November 28, 2011 5:10 PM  
**To:** Florian, Harvey  
**Subject:** Midwest Benefits

Harvey,  
Kind of a FYI, I talked to Ken just a bit ago. He is concerned that they need to expedite the process for licensing in other states.  
They've hired a consulting firm to follow up and implement the process.  
Doug

Douglas Huey  
Pharmacy Business Consultant  
CardinalHealth Pharmaceutical Distribution  
Phone: 815-579-0465  
Fax: 614-553-9573  
[douglas.huey@cardinalhealth.com](mailto:douglas.huey@cardinalhealth.com)

11/29/2011  
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P-28038\_00008



LAST 12 MONTHS

11/22/2011

Cardholder State	Total Rx	Total Gross Cost	Total Member Cost	Total Net Cost
AL	888	\$110,461.91	\$12,085.00	\$98,376.91
AR	1,852	\$300,406.03	\$31,557.91	\$268,848.12
AZ	3,045	\$414,255.13	\$50,600.00	\$363,655.13
CA	444	\$66,413.31	\$7,745.00	\$58,668.31
CO	422	\$52,070.80	\$5,740.00	\$46,330.80
CT	85	\$4,403.22	\$700.00	\$3,703.22
FL	8,351	\$1,250,735.26	\$142,146.54	\$1,108,588.72
GA	469	\$66,193.75	\$7,670.00	\$58,523.75
HI	87	\$19,738.46	\$2,055.00	\$17,683.46
IA	4,712	\$644,737.96	\$81,484.57	\$563,253.39
ID	5	\$1,512.68	\$125.00	\$1,387.68
✓ IL	229,120	\$32,147,630.97	\$3,582,960.48	\$28,564,670.49
IN	68,449	\$10,621,924.53	\$1,145,656.85	\$9,476,267.68
KS	101	\$15,671.34	\$1,735.00	\$13,936.34
KY	1,594	\$237,360.28	\$28,625.74	\$208,734.54
LA	331	\$61,734.76	\$6,230.00	\$55,504.76
MD	44	\$7,333.77	\$905.00	\$6,428.77
MI	2,936	\$419,251.18	\$50,823.08	\$368,428.10
MN	351	\$36,903.47	\$5,410.00	\$31,493.47
MO	2,534	\$392,432.96	\$41,190.00	\$351,242.96
MS	1,134	\$136,867.78	\$15,901.96	\$120,965.82
MT	73	\$12,544.70	\$1,235.00	\$11,309.70
NC	667	\$67,944.26	\$9,159.13	\$58,785.13
ND	4	\$526.84	\$40.00	\$486.84
NE	88	\$4,268.50	\$690.00	\$3,578.50
NM	182	\$35,597.93	\$3,765.00	\$31,832.93
NV	471	\$91,483.06	\$8,805.00	\$82,678.06
NY	35	\$3,521.14	\$600.00	\$2,921.14
OH	294	\$37,109.26	\$4,895.00	\$32,214.26
OK	620	\$122,368.47	\$10,785.00	\$111,583.47
OR	67	\$13,833.89	\$1,070.00	\$12,763.89
PA	215	\$34,031.01	\$3,740.00	\$30,291.01
RI	49	\$5,463.89	\$715.00	\$4,748.89
SC	361	\$49,614.25	\$5,605.00	\$44,009.25
SD	112	\$8,845.75	\$1,800.00	\$7,045.75
TN	2,949	\$400,195.51	\$45,858.23	\$354,337.28
TX	1,938	\$307,742.62	\$35,254.25	\$272,488.37
VA	206	\$25,566.02	\$4,944.22	\$20,621.80
WA	146	\$15,711.57	\$2,140.00	\$13,571.57
WI	8,478	\$1,177,310.16	\$136,982.26	\$1,040,327.90
WV	69	\$14,860.67	\$1,245.00	\$13,615.67
WY	118	\$18,052.44	\$1,905.00	\$16,147.44
	344096			\$43,952,051.27

118

Cardinal Health  
7000 Cardinal Place  
Dublin OH 43017



# Report of Investigation

## CardinalHealth

Date November 22, 2011

To File

From Harvey Florian

Subject Midwest Benefit Pharmacy  
Countryside, IL

DEA # AM7670981

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This closed door, mail order pharmacy was visited on November 22, 2011 by Harvey Florian, SCI-QRA, CAH; met with Kenneth M. Bodenhagen, Pharm.D., Pharmacy Manager; and Frank Kmet, R.Ph., ordering pharmacist. Site visit requested for tapentadol usage.

### Findings

- Location/Area – This is a closed door, mail order pharmacy, servicing active union members, retirees and their dependents, of Local 150 of the Midwest Operating Engineers; it is located on a well travelled street in a suburban mixed business and residential area
- The pharmacy currently services about 50,000 active members, retirees and their dependents; active members reside in Illinois, Indiana, Iowa, and Wisconsin; the pharmacy currently ships prescription medications into some 42 states; currently the only state the pharmacy is licensed in is IL; the pharmacy is currently seeking out of state licenses in all of the other 41 states it regularly ships into
- The pharmacy uses the contractual services of a third party medical review board to review prescribers' prescribing habits that the pharmacy may find suspicious or questionable
- Because tapentadol is a relatively new pain medication prescribers who were normally writing prescriptions for other types of pain medication began trying tapentadol for their patients, causing a spike in the pharmacy's purchases of this drug this past summer
- The pharmacy uses two automated dispensing machines
- Practitioners identified by the pharmacy as their primary prescribers of controlled substances all held active medical licenses and current DEA registrations
- Percentage of prescription sales involving controlled substances was calculated by the pharmacy to be 9.25%, an average of between 1,400 and 1,500 prescriptions are filled daily
- No evidence of internet prescription sales
- No cash sales were reported
- A summary drug utilization report was requested, received and analyzed; a copy was provided to QRA-Anti-Diversion

### Investigator's Recommendation of Risk to Cardinal Health

**X Low**

**O Medium**

**O High**

**Note: This pharmacy lacks licensure in 41 states that it currently ships into**

Anti-Diversion Centralization - Customer Details

DEA Search  Go

Dashboard Early Dialog Customer Search Document Search Reports Lineage View

Home - DEA# BT5541760

Customer T AND J ENTERPRISES INC

Customer Profile Customer Cases Customer Provenance Customer Block/Reinstate

Date	Actor	Entry
2012-05-22 08:05 PM	Douglas Emma	RequestSiteVisit executed by Douglas Emma
	Parameter	Value
	DEA#	BT5541760
	CommentType	Request Visit
	Comment	There has been a 100% increase in purchase activity off eses account. Significant increases in stimulant and pain medications being purchased.
	Address	DBA THE MEDICINE SHOPPE,2402 ADAMS AVENUE,HUNTINGTON,WV 25704
	Justification	VERIFY CUSTOMER INFORMATION
	User	Douglas Emma
2012-05-17 07:14 PM	Douglas Emma	AddComment executed by Douglas Emma
2012-05-14 07:00 PM	Douglas Emma	RequestSiteVisit executed by Douglas Emma
	Parameter	Value
	DEA#	BT5541760
	CommentType	Request Visit
	Comment	Please schedule site visit to validate business growth. Competitor raided by DEA in Feb. QRA vetted new pediatrician prescribing stimulant drugs. Several requests have been submitted with no reports in CM indicating visit was conducted.
	Address	DBA THE MEDICINE SHOPPE,2402 ADAMS AVENUE,HUNTINGTON,WV 25704
	Justification	REGULARLY-SCHEDULED VISIT
	User	Douglas Emma
2012-05-14 02:31 PM	Douglas Emma	CreateCase executed by Douglas Emma

Customer Information

Contact Information

DEA# BT5541760

Customer Name T AND J ENTERPRISES INC

Address 2402 ADAMS AVE

City HUNTINGTON, WV 25704-1322

Phone Number 304-429-6716

Fax Number N/A

Email N/A

QRA Info Account Info Location Sales Rep

DEA License Information

DEA Information

DEA# BT5541760

Business Activity A (0), RETAIL PHARMACY

DEA Schedule 22N 33N 4 5

License Expiration 2012-11-30 12:00 AM

Company Name T AND J ENTERPRISES INC

Company Address DBA THE MEDICINE SHOPPE,2402 ADAMS AVENUE,HUNTINGTON,WV 25704

Payment Indicator P

Customer Classification

Account Information

Customer Segment N

PARMED Customer Number : 164539

PD Region : Unknown  
DC : 8 (Unknown)  
Customer Number : 77068

PD Region : Unknown  
DC : 8 (Unknown)

Medicine Shoppe BT37 .pdf Midwest Benefit P01.pdf Midwest Benefit doc 2.pdf Midwest Benefit doc-lic .pdf Midwest Benefit Pharm .pdf

Start Inbox - Microsoft Out... PDQRA-SOP1.2027 -... FW: Dartmouth Retail... Follow-up to Training... Anti-Diversion Cen... 3 pages Main Switchboard 11:29 PM